## GEHERAL BANKS' DEPARTMENT.

Rumored Concentration of the Rebel Forces for a Campaign in Texas.

An Effort to be Made to Drive the Union Army Out of that State.

Re-Enlistments of Veterans in the Department of the Gulf.

The Bark Grapeshot in Court Under a Claim from George Law.

Beturn of General Andrews' Expedition, and What It Accomplished.

Interesting Interview with the Returned Exchanged Prisoners.

Rebel Operations in Northwestern Louisiana,

REBEL GUNBOATS AT SHREVEPORT

Destitution of that Region of Country.

NEW YEAR'S DAY IN NEW ORLEANS.

The steamship Columbia, Captain De B. Barton, arrived at this port yesterday afternoon, with New Orleans dates

Information had reached New Orleans from three or we been operating in Western Louisians, on the banks of the Mississippi, and, in fact, the whole force of the my, were gathering to Central Texas, and uniting to orn one large army, to attack our new acquisitions on coast of Texas. They will number at least twenty

The most ample preparations had been made to meet pe in the department, and it was expected that news

oria. Nearly every regiment had re-enlisted as vetepaying every man from that State who re enlisted ee handred dol'ars. The Twelth Connecticut bad re

We are indebted to the kindness of the purser, Mr. E. H. Benderson, for taking charge of our despatches.

# Mr. Charles H. Farrell's Despatch.

NEW OGLEANS, Jan. 3, 1864. Line of Steamers-The Famous Bark Grapeshot -George Law the Repondent-Novel Present to Merior General Ba ks-New Year's Day in the Crescent York Steamer:-Rocing Stock Under the Hammer, &c. A new line of steamers has just been established to run vessors of the line are the Havana and Matanzas have been long and favorably known as swift Private intelligence from our blockading fleet off No 17th uit. The gunboat Octorara returned from a cruise Johnston has been promoted to Acting Volunteer Lieuten ant, and ordered to the command of the supply bark

In the United States Provisional Court-Judge Pea bo ty presiding-on the 30th uit., in the case of Wallerstine , lasset & Co., vs. the bark Grapeshot, the arguments of ounsel were heard. The case is a libel, filed on a bottomry bond, to recover the sum of \$9.767 45, together with was loaned by Mesers. Wallerstine, Masset & Co., on the back Gracesbot, at Rio Janeiro, in April, 1858. The ngs to Admiralty. The amount of the sale, together with the freight, being about \$16,000, was paid into the regis York, is the claimant of this fund, and ne contends that there was no necessity which made it essential that the money for repairs to the vessel, and that the bot tion was an attempt to chest and defraud bim.

It will be remembered by the renders of the HERAL that the Grapeshot was the vess-1 cent from New York to the Canary Islands in search of Lewis Biker, the alleged that the above debt was incurred. The case is still

relieved from duty as Provost Sheriff of New Orleans, and Lieut. Col. Eugene Tisdale has been appointed in his

An amateur theatrical entertainment, for the benefit of he New Orleans branch of the United States Sanitary amission, will be given at the St. Charles theatre the 4th inst. If successful, a series of similar entertain

port on the 6th uit, for Tampico and Vera Cruz, run out ger until relieved by the French war steamship Finis terre. The French vessel kept the Sonora in tow two tays until the storm abated, and then supplied her with

new year the most striking and appropriate occurred at the headquarters of the Commanding General. General Sanks was receiving the congratulations and good wishe of the navmasters of the department, headed by Major Brigham and Paker, and accompanied by fourteen others ad daying this scene, while standing around a table spre

and daring this scene, while standing around a table spread with some choice wines and refreshment, of which all were freely partaking, an elderly gentleman stepped up to the Goneral and handed him a letter, which he wished him to resceive as a testimonal of respect and appreciation. The General opened the letter, and, glanding over the page, found it was an autograph letter from General Washington, dated at tarisle, Pa. The letter recited upon the whiskey inspirection, and contained many clear and striking suggestions upon the subject of rebellion. So applicable, mided, were the aginises of that great man to the present troubles of the action that, seeing this, General Banks said he would read the letter aloud, which he did, to the great interest of every one present. One of the opinions advanced by the letter was to the effect that in a government like ours is must not be presumed by any that the disapprobation of a minority should be sufficient to mility the acts of the balgerity. This is precisely the cause of the trouble now. A general order has been issued from the headquarters of this department which is of great importance to the people of this Naté. The Commanding General has incorporated in the order the annesty proclamation recently issued by President Lincoln, and such parts of the President, as also embodied in the order, and General Banks informs the people that all who are dear one of doing so can take it at once. The Provest Marshal choics (Gowen) is directed to instruct all Provest Marshal choics (Gowen) is directed to instruct all Provest Marshal choics for the feel of the such course the following paragraph, which shows

chants of this city going to make their spring purchases. Another evidence of the growing prosperity of New Orleans.

A large anction sale of racing stock is to take place in this city on the 15th inst. The horses to be put under the hammer is the stud formerly the property of D. F. Kenner, Esq. The property is to be sold under the provisions of the Confiscation law, the owner being disloyal and now an officer in the rebel army. The sale is by order of Captain C. K. Mark, Assistant Quartermaster. The horses consist of Casta Diva, bay mare, by Youcher, out of Norma, six years old: Imperial chestual mare, by Slane, four years old, Imperial bay mare, by West Australian, four years old, Imperial bay mare, by West Australian, four years old; sorfel stallion, by Albion, four years old also seven Morgan and Black Hawk stallions, and several blooded coits of different pedigrees.

Some colored troops belonging to a Rhode Island heavy artillery battallon, which arrived here a day or two since, have already been the cause of considerable excitement. They have not yet been quartered in the city, but yesterday most of them got on shore from the transport which brought them, and which is lying at a wharf in front of St. Mary street, and became so unruly that the Fourth district police where wholly unable to controi them. All the police that could be spared from the First district were sent up to assist Lieut. Dunner's force; but still the prospect of restoring quiet to the neighborhood was not very flattering, and about dark a squad of white soldiers were sent for to aid the police. Some of the Fourth district citizens, as well as the "sons of the moon," are said to have been very roughly hundled by the darkey troops, and some of the latter also got sore heads in the affray. All of the regiment who were found ashore were arrested forthwith.

The Rev. Mr. Cobbe Allean, a French missionary priest, who arrived in this city recently, from Europe, has been creating a great sensation by bis superior oratory and eloquence among our

very cathedral, who is said to be worth several hundred thousend dollars.
On the 31st ult, a difficulty occurred in a couce house in this city, between Corporal Wm. Mayfield, of the First district police, and Sergeant H. Charleycoun, of Company I, Ninety-seventh Illinois infantry, which resulted quite unfortunately. After the exchange of high words the Sergeant struck the Corporal, whereupon the latter shothim in the abdomen, inflicting a severe and dangerous wound. Both parties drew their revolvers and fired at the came time, but the Sorgeant's shot did not take effect.

### Mr. George Wm. Brown's Despatch.

NEW ORLEANS, Jan. 3, 1864. Various Matters on the Lower Mississippi-Return of the Expedition Sent Out by General Audrews from Port of Red River-Dr. Smith Captured and Ico Hastily ed-No Guerillas Seen and No Disturbance of Any Kind-Evrything Accomplished that Was Intended-Quietness at Port Hudson-Its Strong Impregnability Against Assault, de.

Last might 1 returned from Port Hudson, Bayon Sara and the country about the mouth of Red river. The ex pedition sent out some days since by Brigadier General safely returned, and it is now not improper to give an of detachments from four regiments and two guns from the Twelfth Massachusetts battery, all under the comgovernment transports John Warner and Iberville were under orders to take the troops and artillery on board and await instructions as to destina-tioo, &c. Finally, December 23, at two P. M. all the preparations were made and everything ready for the departure, the steamers were off and bound up stream. At starting every one, except the chief officers in com-mand, supposed they were going directly up the Rea-river and "beyond," if the governless would permit, which was somewhat doubtful. The transports, crowded with troops and packed with their accourements, proceeded forward rapidly until they reached a point four mises be-low the mouth of Red river, where all doubts and appre-bensions as to destination were guited, and a landing troops and packed with their accountements, proceeded forward rapidly until they reached a point four miles below the mouth of Red river, where all doubts and apprehensions as to destination were quieted, and a landing made on the right bank. Here was Humboldt Island—an island twenty miles in circunference, long and irregular, on one side forming the lonk of the river and on the other serrated by the windings of a bayon, which is narrow and moddy. A sufficient guard being let on beard the steamers, the remainder of the forces were ordered on shore, when it was soon evident what was intended. Foraging parties were sent in every direction, with instructions to "impress" horses, forage, cotton, sugar, &c.—anything of value that could be found and spared by these obstinate secesh, who, it was learned, had invited the guerillas to their island, as a fit place for their operations against passing steamers. The Von Phul. Black Hawk, Brazil and other beats had been fired into at this place and a great amount of damage done. For these reasons Humbold Island was selected as a proper place to forage in; furthermore, it was known to be fertile, and the supnosition consequently was that it abounded in forage. This view ultimately proved to be correct. Our forces were on the island thirty-six hours, and obtained two thousand bushels of corn, twelve horses, a large number of hogs, besides ducks, chickens, turkeys, &c., in great abundance. A mother prepared a basket of eggs for an officer; but, as she was presenting them, the daughter said, "Ho not give them, ma, to the damned Yankee." But the mother was fixed in her purpose, and the officer received the eggs with many feelings of pleasure. Before leaving the island a Dr. Smith was captured an abrought to Col. Dickey, who released him, although suspecting that the doctor might be a desperate character. It has since been learned that he was certainly the same desperate on the rism queen of the West when that boat was a complished without any great confusion or excitement. No gu have great dilucity to the many sentinels who are statione there and look upon travellers with suspicion.

NEW INERIA, La., Dec. 30, 1863. Interesting Reports from the Interior of the Retel Lines-Movements of the Enemy-An Iron-clad Rebel Gunbon at Shreceport and Another Fitting Up-Great Diseatisfac tion Among the Robel Treope-Treatment of Mr. Ayers, a Union Man-How our Prisoners are Treated-A Thanks gicing Dinner in Dixte-Condition of the Country Through which Our Men Passed, &c., &c.

About two weeks since, as already stated in the HERALD. Major General Taylor, commanding the rebels in Western Louisiana, sent a communication to General Franklin, of our army, in relation to the exchange of prisoners captured by their forces. The reason for this request was the inability of the rebel authorities to properly provide

The terms of the cartel were satisfactory to both par ties, and was immediately signed. Several days ago the prisoners thus exchanged, numbering in all about seven hundred, returned here, having traversed on foot the en tire distance from Natchitoches, on the Red river, in this State. From several officers of the number we gathe many interesting as well as important facts in relation to

weeks great activity has been observed among the enemy's troops. General Mouton, with a brigade, has moved towards Mouroe, a small town on the Washita river, and at the present terminus of the Vicksburg and Sureveport Railroad. The object of the expedition is gaid to be to check the operations of some of citr troops that are supposed to be soouring the country opposite Vicksburg. Generals Green and Major,

my to become well concentrated on his frost—he quietly embarked a considerable force upon transports, and accurate and accurate and accurate and accurate and declare a human property of the weak provided the service of the weak provided and the service of the service of the weak provided and the service of the service of

ahead to report the affair at Natchez and ask for succor The plot would undoubtedly have been perfectly successful if it had not been for a deserter from our army, who dus-closed the affair, whereupon the guard was doubled There was no large force of troops at the time withis thirty-six hours' march of the place, to which time ask the necessary delay in devising some means of crossing the river, the ferry being destroyed, and it is fair to sup-pose that all strong enough to endure a forced march would have escaped.

cannot learn.

All the prisoners were exceedingly delighted at their return, and were immediately made comfortable by the issue of new uniforms, overcoats, blankets and plenty of good rations, which were well cooked. Many of them say their experience in Rebeldom has but inflamed their minds the more to stand by the old flag and maintain its authority over the entire land; for if this be not done we in our turn, say they, may look for even a more deplorable condition of affairs than new prevails in the

# THE MORNING STAR CHASED.

Supposed Rebel Cruiser North of Cape Morning Star-Description of the Suspected Pirate, &c., &c. TO THE EDITOR OF THE HERALD.

The steamship Morning Star left New York on the 26th nit. On the following day, between four and five P. M. when sixty-five miles north of Cape Hatterss, a propeller, square rigged, with long projecting bows, not unlike

soft coal, was discovered steering north. Immediately upon her making us out she changed her ourse to the eastward so as to come down across our bows, and by the immense volume of smoke which issued from her smoke stack all were convinced she was using in unusual pressure of steam. The captain disliking the appearance of the stranger, her conduct and the circum changed to the east of what we were then steering (south by west), when she at once bauled to the northward to intercept us. When it thus became apparent that the suspicious craft was resolved on overhauling us, our course was changed to the southeast, bringing her direct ly in our wake, and the chare began. We were then car rying twenty pounds of steam, and the pursuer was rying twenty pounds of steam, and the pursuer was coming up with us inst. All sais were then set to take advantage of a strong west wind which was blowing, and the pressure of steam increased to thirty pounds. Under this spread of canvass and head of steam we made fourteen knots and gradually distanced the pursuer, in spite of the fearnest endeavors she made. Sparks and finne were seen to issue from her ranke stack, and at times her holl was completely enveloped in smoke. Her lights were extinguished at night, and other measures to aid her pursuit were adopted. On board our own ship the light around the engine was deadened by old sails, and the saicon, cabin, and state room lamps were put out; and in darkness we groped about, speaking words of encouragement, or fear, or anxious inquiry about the chase. No passengers were allowed on deek, lest rebel emissaries or sympathiers on board might exhibit signal lights to guide the dread pursuer. During the night we continued our swift light, and when morning dawned the dread apparition of the evening before had vanished; yet no one felt disposed to make light of the matter; all felt that we had exapped a real and a threatening danger. No efficer questioned the character and intentions or the vassel, but all were unanimous in the opinion that she was a rebel cruiser especially designed to make capture of our merchant steam marine.

It is only upon those hypotheses that all the circumstances can be reconciled. First, she had the appearance and build of an English propeller; second, she burnt not coal, a fuel used by flone of the Union cruisers, and which, indeed, has been peremptorily denied to them by general orders. Besides, teo, our own gunboats knew all the vessels on the New Orleans line, and if they did not our immense propertions could not for a moment have invited the suspicion of our being a blockade runner. If a foreign vessel, her atrange conduct could be explained only on the supposition that she was in distress, which she certainly was not to make from ton t

NEWS FROM MEXICO AND ST. DOMINGO.

The City of Guanajuato in Possession of the Imperialists.

Surrender of Aguascalientes to the French.

The Imperial Cause Rapidly Gainmg Ground.

MIRAMON TO LEAD A DIVISION ON DURANGO.

Tamaulipas to be Occupied by the French Forces.

Juarez Reported About to Take Refuge in Texas.

MORE SPANISH VICTORIES IN ST. DOMINGO.

AFFAIRS IN HAVANA.

The arrival of the Columbia from New Orleans puts us

Our Havana Correspondence. HAVANA, Jan. 5, 1864.

The French in Guanejuate-Adhesien to the Imperia Scheme-Where is the Mexican Army?-Spanish Victories at Puerto Plata, de. - A New Theatre for Havana-

Many a wish for a happy new year has been breathed. ill the world over, since last Friday, and yet, for all I can see, the year 1864, as yet silent and unfamiliar, like a wondering babe, promises to be no better in temper and onduct than any of its predecessors. The incense from gilded censors which has rolled through many a cathedral dome, vibrating with anthems of praise and blessings last year's holocausts. Et in terra pac hominibus. How vain the prayer. There is no peace on earth for men. We drift along in the same current of events, following out their logical sequences and developing their appointe ashered in with so much that is sublime and boty What beed do men take of their own wishes, and what else are we but hypourites, praying often times in our hearts that the petition offered by our lips may not be we ask it. How strangely we consecrate these solemn periods of our life, as if they were unmeaning myths and that time would not age us, nor life ebb slowly as the days glide into nothingness. We could then afford to be

Perhaps my sermon is long enough, though if there be "good in everything" I ought to continue; and I might, if I had nothing else to do; but there are a few little scrap to be raked together and sent you from the province history, stitched together to complete my portion of that

From the capital of Mexico we have five days later news than you received by the last steamer from Bava na-that is to say, to the 17th ult -the gist of which that the imperialists continued their triumphal march from town to town, meeting with no opposition any-

sth uit by the imperialist forces under Meira, followed on the next day by the division of Gen. Douai. Doblado, the Governor, had left for Gozanlajara, as is supposed; though, as that place is besieged by a large force under Tovar, and further threatened by the columns of Castagny and Berthier advancing straight upon it, it is more likely the flying Governor may have taken the road to Zacateces. The troops which he had collected together are said to be at a viliage called Leon, some eighteen or twenty

I look through the news in vsin for Urega's where boots. The test we heard of him he was in the valle;

appearance of the generilas on the read between that city and vera Cruz, and adds that the expedition seut to the sorra Songehea was received with enthusiasm by the aborginal natives.

The Sociedad, of the capital, says there has been no meeting of the Congress in San Lais since November 20, at which there appeared only fifty-eight members. This number being less than a quorum nothing could be done. All this, and more which I have not mentioned, shows plainly how the tide is flowing, notwithstanding the partisans of "eethusiasm" over yonder in Caifornia and eisewhere, still persist in their nonesees, and send absurd telegrams to the New York papers. Towns are adding themselves daily to the numbers that have aiready declared for the empire—not towns occupied by the Franco-Mexican forces, but places where they have not yet reached. There is no doubt about it. The names of the persons signing the acts of adhesion are published, and no one attempts a denial. One of the latest is the town of Huichapan, and to be a place of considerable importance, though I am not sure that I know its precise locality. In the State of Jalisco the imperialists claim to be making considerable progress. When the capital, Gundaiajara, falls the State will follow.

From the tone of the Mexican papers—such at least as I see—there is a strong conviction in Mexico that Maximilian will undoubtedly accept the crown, and this conviction, spreading among the people, gives birth to a tecting of security—one of the spells by which the invader succeeds in catablishing himself. He makes the Mexican believe that he is state under the shelter of French artillery then under his own natural protector; that not only his life, but his property and every material and political interest he has are safer. The poor fellow believes what he is told, because he sees something his a proof of it in the conduct of the French solder, so different from his own countrymen. And can we blame him to be moved the weaken which he has to choose. One robe him by exorbitant t

The British steamer from Vera Cruz will be here tomorrow or the day after, with ten days later news from
the city of Mexico.

THE WAR IN ST. DOMINGO
drags slowly along, but serely, to the hevitable end.
The Speniards, under General de Rivera, gained another
victory on the 20th over the insurgents in front of Puerto
Plata, driving them, for the second time, from the intrenchments they had constructed with considerable
care and labor. The various positions occupied by them
were taken successively at the point of the bayonet,
though, as usual, their less was not very heavy. Eighteen dead bodies were found in the trenches, and a much
larger number of wounded, besides prisoners, who were
forwarded to the capital, where Cantain General Vargas
generously liberated forty five of them. The Spanish
loss in the action is not given, but is said to have been
quite inconsiderable. They say the insurgents fought
well, but that is said to give greater edac to the victory.
Another victory is reported to have been gained in
Soybe, in the eastern part of the island, by the mative
militia. Yet it can scarcely be called a victory, since the
insurgent party did not wait to be attacked, but fied and
dispersed on seeing the Seybanes approach the town of
Halo Mayor, which they had occupied.

General La Gandara had not advanced beyond Azua,
where he was probably awaiting reinforcecement before
making a move further westward. Troops were constantly arriving at the capital, and it is supposed there
are now more than enough to put a needy end to the in-

company. There is again on foot a plan to build a large theatre, and it is said the shares are being taken up. This thing has been so often speken of that I shail not believe it till the building has been commanced. It is proposed to construct the house of iron, at a cost of one hundred thousand dollars. If ever build it will be the first fron structure ever put up in Havana, and will add much to the appearance of the city. One good result promised us is, that it will cheapen theatrical exhibitions, the price of admission to which is now absurdly high. Chiarin's circus is also in full blast, and coining money. We have a very fine troop there, including Zeyara, young Nicole, who estonishes all with his splendid performances on the flying trapeze, and a hest of others, all good in their way. With such attractions we are not very badly off for a place wherein to pass an occasional evening. Besides which, you must remember that the circus itself has not its equal for comfort and neatness anywhere in the United States.

To day certain reforms in the administration of the Custom House go into operation, planned, I believe, by Capitain General Duice, who does all in his power to remedy official abuse in the island. I wish he would take the streets in hand and give us good sewers and pavement, which we would have had long suce, but for cofficial abuses in that department not yet interfered with.

The weather is very fine and the health of the city good, which is more than can be said of business. Apropose of business, the friends and correspondents of Messrs. Morison Brothers, of Havana, will be interested in knowing that a change has occurred in the partnership of that well known house. Mr. Robert Morison retires, and the present partners are Messrs. A. J. and F. J. Morison and Mr. Jezeph Barfoot.

#### MEXICAN NEWS VIA NEW ORLEANS.

NEW ORLEANS, Jan. 3, 1864.

French Progress in Various Mexican States-The Siege of Aguarcalientes—Its Surrender to the French—Miramon Raising Forces for an Attack on Durango—The Ex-pected French Occupation of San Luis—Anticipated Plight of Juares to Pexas-The State of Taman ipas to be Completely Occupied by the Invaders, &c.

News from Mexico via Tampico, 22d ult., has just been received in this city. It is as follows:—The Archbishop of Mexico, Senor Labastida, has resigned his place in the regency. General Comonfort had been killed by assassins and not by soldiers of the imperial government, which had offered a reward for their apprehension.

The news from San Luis Potosi is up to the 10th Mexican States had been occupied by the French Guanajuato by three thousand French troops, and eretaro. Morelia, and Guadalajara by the rest of the combined forces of French and Mexicans, Aguas the combined forces of French and Mexicaus, Aguas-calientes had surrendered to Colonel Chavez, after a siege. General Marquez was in Morelia. General Miramon, ac-companied by his two brothers and two hindred other chieftains and offliers, had left the city of Mexico to raise a division, with which he was to march on Durango. San Luis was expected to be in the occupation of the French about Christmas, and Juarez, it is said, intended to take refuge in Texas with his family, friends and re-tainers.

to take refuge in Texas with his family, friends and retainers.

Letters from the interior of Mexico say that no resistance will be opposed to the occupation of San Luis, the Juarez government being a mere effigy, nobody obeying its orders. Before leaving San Luis the liberals had imposed a forced loan of four hundred thousand dollars on the city, whilst Gonzaiez Ortega imposed a similar one of five hundred thousand on Zacatecas.

General Uraga, who had gathered some ten thousand men for the purpose of fighting the French and Mexican army in their advance from Queretaro towards San Luis, has retired, avoiding an encounter.

Geo. Mejia commands the vanguard of the French and Mexican army, and will likely be the first to enter San Luis. To him has been ontrusted the care of goodring the roads and securing a safe communication between the last named city and Tampico; so it can be expected that the State of Tamashipas will be entirely occupied by the French-Mexican army during this mouth. On one side the civil State war for Governor, dividing the opposition, will materially help Geo. Meila in his operations; on the other side, it is likely that some of the dissentients will abandon Juarez' banner and join Mejia.

### INTERESTING FROM ARKANSAS.

Rebel Officer with a Squad of His Men-The Numbers and Condition of the Rebel Forces in Arkansas-Their Successive Commanders-Price's Old Missouri Ar-Them of the Union Successes in Texas and the President's Amnesty Proclama-FORT SMITH, ATK., Jan. 10, 1864.

Lieutenant W. A. Brittain, of the Third Arkansas regiday with a squad of his command. He left Price's head quarters, at Longwood, twenty miles west of Calden, on

General Rolmes is in command of the Trans-Mississippi Department, and General Price commands the army in the field, claimed to be seventeen thousand strong; but Brittain says it does not exceed thirteen thousand. Of Price's Missourians only three or four thousand ton and Pea Ridge are nearly all in their graves. The Missouri troops consist of Shelby's cavalry and Parson's

Maxey's new recruits, conscripts and bushwhacker recently joined General Steele, who had been superseded n command of the robel Department of Indian Territory by Brigadier General Maxey. General Gano is another new Texan general, who has had command.

The rebel troops have issues of only tresh beef and corn meal, with one ration of flour per week. They are

The reports of Union successes in Texas, and General Banks' possession of the Rio Grande, created great gloom

Rumors of the issue of President Lincoln's amnest proclamation were also having effect throughout their promising a speedy advance to keep them quiet. Officer well informed were of the opinion that Price would move upon Little Rock, and Maxey with another column

thermometer has stood from ten to fifteen degrees below zero for several days, and the snow is six inches deen. rebel mail, the letters in which speak of an immediate advance of the rebel forces as far northward as possible.

The Lityle Rock Democrat of the 27th ult, says:-"Sena ter Mitchell has recently returned from Richmond with orders from Jeff. Davis which created considerable stir. in the rebel camps.

Union Arkansas cavalry, en route for Fort Smith, was at-tacked a few days since by the rebels Celonel Hall. The enemy were whipped and the colonel and nine men were

Captain Napier the same night had a fight with a rebe force recently from Yellow county, and captured Lieutenant Barnett and fifteen men.

#### News from Fortress Monroe. FORTRESS MONROS, Jan. 8, 1864. A snow storm commenced here last night and still con-

Two deserters from the Fifty-ninth Georgia and one from a Virginia regiment came into our lines via Suf Sergeant Myers, of the Eleventh Pennsylvania cavalry

has been sentenced by court martial to be shot to deat at such time and place as General Getty may decide.

The schooner Lola Montez, from Cape Cod, was dragged nto one of the Russian frigates this morning and lost be mainmest by coming in contact with the bowsprit of the

The steamer Sophia, from New York, bound to New Orienns, came into Hampton Roads this morning for re The schooner R. W. Froth sprung alonk at sen and had

to throw the largest part of her cargo (sait) overboard.

#### The Cotton Trade of the Mississippi. Camo, Jan. 10, 1864. The steamer Forsyth, from Memphis 7th inst., bas

arrived, with 241 bales of cotton for St. Louis. The steamer Continental, from New Orleans lat inct. has arrived, with 20 bales of cotton, 1,655 lbs. sugar and 49 bbls. molasses. She met ice sixty-seven miles below

in New Orleans cotton was quoted as fellows .-- Middling, 72c. a 73c.; strict middling, 74c., good, 75c., midding fair, 76c. a 77c.; fair, 79c. a 80c.

fielena, something most unheard of.

The steamer Fanny, from Memphis on Monday evening has arrived with one hundred and eighty-seven bales of ection for St. Louis. She experienced great difficulty

Over fifty steamers are lying here. The weather

GEN. KELLEY'S DEPARTMENT.

Attack of Mosby on the Union Cavalry.

Severe Fighting and Defeat of the Rebel Chief.

His Flight and the Pursuit by Our Forces,

being nearly four hundred strong.

Mr. Theodore C. Wilson's Despatch.

HEADQUARTERS, DEPARTMENT OF WEST VIBOUNIA, 3 Jan. 10, 1864. Major Cole, in command of a battalion of Marylan cavalry, encamped in Loudon county, w stacked at four A. M. to day by the gnerilla Monby, the latter's force

After severe fighting for an hour Mosby was repulsed leaving his killed and wounded on the field. Among the rebel dead were found four commissione

Our loss is reported as two killed and eleven wounded Among the latter are Captain Verson, severely, and

Lieutenant Rivers, slightly General Sullivan has a force of cavairy now in puof the enemy. Mosby attempted to surround and surprise the camp

but found Major Cole on the alert and ready for him The fight was a gallant one on Cole's part.

Our Special Washington Despatch. plish anything at present in the Shenandeah valley,

owing to the inclement weather and condition of the

and the movements of our forces have been such as to preclude the possibility of bridge building by the enemy. It is not expected that Early will remain in that section

The Press Despatch.

after the present month.

WASHINGTON, Jan. 10, 1864. A private telegram received to night from Comberand, says all is quiet, and the railroad is perfectly safe

## THE ARMY OF THE POTOMAC.

Mr. William Young's Desputch

THE SARBATH QUIET WITHIN THE ARMY LINES. The faithful chaplains in the army have held religious services to-day; but otherwise the routice is the same as other days, though it is marked by an unusual degree of quiet along the lines. There is not even a renestion rumor to relieve the monotony.

THE ARMY HORNES. A large number of excellent borses have been brought up within a few days, and condemned horses have been sent down-four hundred of them to-day. Were it uct for the high prices of forage and labor more of the condemped horses could be profitably recruited by 'be government than now are; for it is certain that there ac mated horses are better than those frethir imported from the North, if they are temporarily withdrawb from

Mule trains, &c., are running irregularly.

THE BAILWAY TRAINS RUNNING SECULARIAN. The trains on the Military Railroad here are premptly on time, though the track is in rough condition, and as a consequence the heavy business done compets frequent repairs of the locomotives.

THE WEATHER. The weather is milder to-day; but it was exceeding y cold last night. There are indications of a thaw and then

The Press Despatch. DISMISSALS FROM THE SERVICE. Licutenants Isaac N. Whitemeyer, Nineteenth Indiana; Thes. A. Derwart, One Hundred and Sixteenth Pennsylva-

Hare, Seventy-second New York; Thomas Mc Namee,

York, have been dismissed from the service. MORE DESCRIERS TO BE EXECUTED. The sentences of death for desertion in the cases of privates John Wilson, Seventy-first Perinsyvania, James Lane, Seventy-first New York; James W. Cletton, Sixth New Jersey; Ira Smith, Eleventh New Jersey, and Allen G. Maxson, First Michigan, have been approved, and the

executions are fixed for the 29th instant. MEDICAL DIRECTOR LETTERMAN. Surgeon Jonathan Letterman, United States Army, for the last eighteen months Medical Director of this army, has been relieved at his own request and ordered to

Everything is quiet. The weather is intensely cold at light. Ice forms nightly over an inch thick.

# NEWS FROM THE BAHAMAS.

The Foreign Trade with Yassan Still Brisk-Clearances for Wilmington-Poetical Apostrophes and Warning to Blockade Running and Blockade By the arrival of the steemship Governor Payley at

at this port yesterday we received files of papers from the Bahamas dated at Nassau, N. P., on the 24 of Janu-The foreign trade to the port of Naszan was very brisk and the returns show that New York is handsomely re

presented in the list of arrivals, having sent as many a even "aesorted cargoes"-destined, so doubt, for rebe se-into port within six days.

The Governor Bayley was overhauled by a Union ruiser on her outward passage.

The Nassau Guardian states that Wolfe's property,

eized on the Corsica, but been given up on the demand of selved on the Corsica, has been given up on the demand of Lord Lyons, and Wolfe has commenced an action for damages against the United States.

The rebel steamer Pet sailed from Nassau on the 26th ult, for Wilmington.

The steamers Jem, Lucy, Rothessay Castle and Handigo all sailed on the 29th ult, for the same port.

The United States steamer Sonoma was at Little Stirrup Key on the afternoon of the 29th ult, and observing a steamer fifteen miles to the eastward, went in pursuit.

The steamers Y. Dayrell and Alliance sailed for Wilmington on the 2d inst.

mington on the 2d list.
The rebel steamer Lucy, with cotton, arrived at Nassau on the 21st uit. from Wilmington.
The bark J. J. Philbrick, from Philadelphia, bound to Key West, with coal, was totally lest on the 14th uit, on Grand Bahama. Her captain and crew but arrived at

Grand Eshama. Her captain and crew had arrived at Nassau.

The inhabitants of Nassau were in high give in consequence of the unexampled prosperity and enexpected flow of cash, which have been induced among them by the foreign trade with the American rebels. Their feelings are very emphatically expressed in the New Year's Address presented by the carriers of the Nassau Guardian to their patrons. The Nassau carriers—whose poetry, like that of their brethren in every other portion of the news-reading world, is of a practical turn and torse, enumerating the existing causes for rejoicing—say—

Harran for the steam rug Quick!

For she brings the big ships in.

And up to their mooring, while sea is rearing—
toly produce the lin.

Harran for new warehouses—winarve—

Burrah for new warehouses—with rvee— Likewise or the cotton from Dixio: Dut, ye has rdous Scots, ye must go fitteen knots, Or Uncle Sam surely will fix ye.

Marine.

The steamship North American, for Liverpool, sailed at nine o'clock last evening.

The British bark Norton Hail arrived on Saturday from Cardin in eighty-six days, via Quecastowa, where she put in to repair her steering apparatus. She has been since the 1st inst. west of Cape Sable.

The remore circuisted abroad to the effect that Major General Buroside was about to resign or be reserved of his command are, we are credibly informed, without the slightest foundation in fact. The General arrived from Washington at the Fifth Avonne Rotation Saturday evening, where he joined his fady. His headquarters for the present will be at that hotel.